SIDE LETTER TO THE POLICE OFFICERS ASSOCIATION OF LODI MOU

- A. The City of Lodi and the Police Officers Association of Lodi currently operate under a Memorandum of Understanding effective October 9, 2007 through October 8, 2011.
- B. This Side Letter is entered for the purpose of addressing the continued significant budget crisis caused by the current economic downturn.

For the above reasons the parties agree that members of the bargaining group will:

Article XXXVII - Retirement, shall be amended to add the following:

Add Section 37.3 as follows: "However, between the pay periods in which July 11, 2011 and July 8, 2012 fall Employee's 9% will be paid both by Bargaining Unit Members (3%) and by City (6%).

Notwithstanding any other provisions applicable to the employee from any other source, the employee is responsible for the three percent (3%) employee share of their CalPERS retirement benefit. City will take actions necessary to make employees' PERS payment pre-tax pursuant to IRS Code 414(h)(2)."

Deferred Compensation:

At the end of Section 35.2 add the following sentence: Bargaining unit members agree to forego all deferred compensation matches they would otherwise be entitled to between the pay periods in which July 1, 2011 and June 30, 2012 fall.

Compensatory Time/Holidays/Vacation:

Compensatory Time:

Unless cashed as permitted below, bargaining unit members agree that they shall not cash out any compensatory time off from July 1, 2011 through June 30, 2012. Moreover, members acknowledge that the 2011/12 Police Department budget does not include any expenditure for overtime.

The parties agree that they will work cooperatively to minimize overtime expenditures in the department to avoid mid year budget cuts that would be required to meet the overtime expenditures.

At the end of section 5.2 add the following sentence: During the pay periods in which July 1, 2011 through June 30, 2012 fall, a maximum of 480 hours of compensatory time may be carried on the books. After June 30, 2012, employees with banks in excess of 240 hours shall be entitled to continue to use their excess compensatory time but shall not be eligible to accrue additional compensatory time until their compensatory time balance falls back below 240 hours.

Fourth of July and the Grape Festival: Overtime on July 4th and the Grape Festival shall be paid rather than a Compensatory time off basis.

Holidays:

Unless cashed as permitted below, All holiday leave accrued during the pay periods in which July 1, 2011 through December 31, 2012 fall must be used by October 31, 2013 and may not be banked or cashed out. This limitation shall not apply to members retiring during the 2011-2012 fiscal year, which are: Val Chaban, Roger Butterfield, and Hans Van Noord.

Bargaining unit members shall be entitled to cash out an aggregate maximum of \$1,055 per member in Holiday Leave in December of 2011 or CTO time in October of 2011 and April of 2012. Any member who can not cash the full \$1,055 in CTO and/or Holiday leave may cash out Vacation leave for the balance.

CalPers medical at the PORAC rate:

If members of the City workforce become associate members of the POAL (Not for representation purposes) and signup for medical insurance under the PORAC rate then a dollar for dollar savings will be applied to reducing the POAL's monetary concessions for FY 11/12.

Dollar for dollar savings will also be applied to reduce POAL's FY 2011/12 concessions if regular POAL members switch to CalPers medical at the PORAC rate.

The saving will be determined by subtracting the PORAC rate from the current rate that the employee had in the previous year.

Previous Agreements:

The POAL and City hereby ratify the 2007 MOU, the February 2009, June 2009 and June 2010 Side Letters and the 2010 Addendum.

This Side Letter shall not become effective until approved by the Lodi City Council. Except for terms that expressly extend beyond June 30, 2012, this Side Letter expires on June 30, 2012.

POLICE OFFICERS ASSOCIATION OF LODI CITY OF LODI, a municipal corporation PAUL BLANDFORD KONRADT BARTLAM President City Manager Dated: 6-30-Dated: MASTAGNI, HOLSTEDT, AMICK, MILLER & JOHNSEN By: DENNIS WALLACH, Bargaining Representative ATTEST: RANDIJOHL, J.D. City Clerk APPROVED AS TO FORM: D. STEPHEN SCHWABAUER

City Attorney